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How DONALD REGAN RUNS THE WHITE HOUSE

By Bernard Weinraub

IT IS 7:15 A.M., AND THE CHAUFFEUR-driven blue limousine moves through the rain into the west basement of the White House. Donald T. Regan opens the door and walks up a narrow flight of steps into his office where aides, in shirt sleeves, await him. His mood is bleak. En route from his sprawling riverfront home in Mt. Vernon, Va., the White House chief of staff has read the morning newspapers. His eyes had widened over an article containing leaked information about proposed cuts in domestic spending that the White House had planned to announce in February.

Although Regan has been informed by legislative aides that prospects for the President's major domestic initiative — tax revision — are hopeful and that it seems likely to pass by early summer, Regan is plainly angry. The four aides shuffle out after a brief conversation and, as he does every morning, Regan sits alone at his Government-issue mahogany desk to read overnight cables from abroad over a breakfast tray of cereal, blueberry muffins and coffee.

Promptly at 8 A.M., Regan walks out of the office for his daily meeting in the Roosevelt Room, where more than a dozen White House senior staff members are seated at a rectangular table, white pads and pens before them. "I'd say 'good morning,' but that's just a phrase," he says. Quickly, he raises the issue of the leaked figures. "Anybody who wants to leak confidential information can resign," he says coldly. "If any of you think you know better than the President about what ought to be communicated you don't belong here."

In the nervous silence, Donald Regan proceeds to review the President's schedule for that day. "What upsets me is inefficiency, stupidity and unexpectedness," he says later. "If someone knows of a problem and conceals it from me, I get more upset from that than from the problem itself. I tell our people time and time again: Bad news first. Never a surprise. Please! Particularly an unpleasant surprise."

One year after his appointment as White House chief of staff — a year of unpleasant surprises as well as some key triumphs — Don Regan has

emerged not only as the most dominant figure in the Administration after the President, but, perhaps, the most powerful chief of staff since Sherman Adams in the Eisenhower era.

Regan's predecessor, James A. Baker 3d, now Treasury Secretary, shared an unwieldy troika arrangement with Edwin L. Meese 3d, now Attorney General, and Michael K. Deaver, who heads a public-relations firm. Regan, in contrast, has firmly established personal control over White House operations. In the process, he has emerged as a highly visible and controversial figure with leverage over every aspect of domestic policy and, with the recent departure of the national security adviser Robert C. McFarlane, foreign policy.

"Regan may even be more powerful than Adams," said Fred I. Greenstein, professor of politics at Princeton and a Presidential scholar. "Adams had nothing to do with foreign policy. Regan certainly does. And before Eisenhower — under Truman and F.D.R. and Hoover — there was no single chief of staff."

Under the system Regan has constructed, the President's speeches, schedule, paper work and, to some degree, priorities, are now in the singular control of Regan himself. A former Marine from Boston, Regan revels in the fact that he has risen to the pinnacle of success — first on Wall Street and now in Washington — through aggressive gambles, bold ambition and, perhaps most significant, the fact that his critics have consistently underestimated his bureaucratic shrewdness, even cunning.

"People haven't made the effort to find the kind of person I am," he says. "They take surface things, they like to put people in boxes. Yes, I am competitive, I have a reasonable intelligence and I don't mind studying something, working on it, in order to understand the system and then seeing what I could do to better it. That's why Wall Street never could understand me. People would rather swim with the tide, not against it. Not me."

It is perhaps too early to gauge what effect Regan and the changed White House staff structure will have on the conduct of the nation's business. Critics say Regan's relative inexperience and his brusque, commanding style have irritated key legislators, and have damaged White House relations with Congress. Regan acknowledges the criticism, but he points to the President's extraordinarily high poll ratings as a testimony to the skills of Ronald Reagan and of the people around him.

Bernard Weinraub covers the White House for The New York Times.

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EVEN BEFORE THE DEPARTURE of McFarlane, Regan had personally reshaped much of the White House staff, filling key positions with officials who are well-qualified, but who are beholden to him and pose no threat to his power. It is one of Regan's management techniques — learned in his years at Merrill Lynch — to appoint able, second-level people in top-level jobs, thereby avoiding the creation of any new centers of bureaucratic power.

With President Reagan's endorsement, Regan sought the appointments, among others, of James C. Miller 3d to replace David Stockman as director of the Office of Management and Budget; Dr. Otis R. Bowen as head of the Department of Health and Human Services; Patrick J. Buchanan as director of communications; Beryl Sprinkel to serve as chairman of the Council of Economic Advisers; Bill Brock as Secretary of Labor, and Linda Chavez to head the White House office of public liaison. Only a few holdovers from the James Baker years remain, among them M. B. Oglesby, head of legislative affairs.

Regan counts Secretary of State George P. Shultz and William J. Casey, Director of Central Intelligence, among his closest friends in Washington. Aides say that Regan and Defense Secretary Caspar W.

Weinberger speak frequently on the telephone and, despite some friction over defense needs and spending, maintain a good relationship.

Regan's personal staff, said one White House aide, is "almost obsequious and "scared stiff of him." "He's bright and aggressive and funny and he has an edge of anger — an anger that seems waiting to go off," said a White House official. When Regan turns angry, another official said, "He has a look that would stop a locomotive in its tracks." Regan aides — as well as Wall Street colleagues — insist, however, that Regan welcomes internal debate, and only expresses his temper when an official is poorly prepared.

One official remarked: "The staff seemed to spend an inordinate amount of time deciding who goes to what meetings — that kind of silliness." Regan is aware of the criticisms. He has increasingly sought advice on staffing problems from such dis-

parate Reagan loyalists as Senator Paul Laxalt, Republican of Nevada, and Kenneth Duberstein, who skillfully ran the White House legislative office in the first term.